

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

In the matter of: \_\_\_\_\_ )

Request for Review of Decisions  
of the Universal Service Administrator \_\_\_\_\_ )

Docket No. 02-6

Reference:

Funding Year:	2005 & 2006
Applicant Name:	Kashunamiut School District
Entity Number:	145567
Form 471 Number:	473940 & 531802
Funding Request Number:	1483050, 1334190, 1482636

*Background:*

On October 14, 2010, the district received a letter regarding a *Notice of Withholding of Action Pending Red light Rule*. We believe the dollar amount cited on the letter is not correct and the choice of USAC to recover funds is not warranted at this present time. We understand that the Audit conducted didn't satisfy USAC by any means, but the individual at the district during the time of the audit should not have been representing the district at the time and now has been relieved of his services at the Kashunamiut School District.

During the audit the district representative couldn't produce any information which the auditors were seeking. Thus, USAC has every right to request back funding. The district has been at a loss on what to do pertaining to this situation. The district sought consulting assistance and hired E-Rate Central on August 2<sup>nd</sup>, 2010. During this short time frame the district filed an appeal to USAC, worked with a USAC representative pertaining to the 2005 and 2006 audits producing information that clearly shows the district in compliance during that time frame, and finally was able to obtain 2009 funding for the district.

Please refer to Exhibit 1, which clearly shows the district trying to work with USAC and obtaining some of the information which the district had to show during an audit. We would like to continue this model and hopefully work with USAC to obtain ALL information needed to satisfy the auditors.

*Conclusion:*

We want to reiterate our stance that we clearly understand that USAC has every right to request funding back from the district. We are kindly requesting that the FCC instruct USAC to work with the district to produce the information needed to satisfy the auditors. This was clearly a record retention issue with no waste, fraud, nor abuse shown. This is evident because USAC funded their 2009 application. As we all know these are very tough economic times and the Kashunamiut School District is crawling along like every district in our nation. If this situation

was a waste, fraud and abuse case this appeal would not have been produced. The district feels very strongly that they can produce all information and will welcome the opportunity to do so. We plead to the FCC to reconsider their position in this case.

Thank you for your consideration.

Respectively submitted,

Anthony White Jr.

[awhite@e-ratecentral.com](mailto:awhite@e-ratecentral.com)

On behalf of the Kashunamiut School District

# Exhibit 1

# E-RATE CENTRAL

## PIA Inquiry

E-Rate Central/CentralEd  
400 Post Avenue, Suite 410

Tel: 516-801-7804 • Fax: 516-801-7810

<b>District:</b> Kasunamiut School District	<b>PIA Reviewer:</b> Chris Lenhardt
<b>Entity #:</b> 145567	<b>Date:</b> 9/15/2010
<b>Type:</b> Audit - USAC	<b>Inquiry #:</b> 1

Response Due Date: 9/15/2010

### Question

Local and State Procurement policies

### Answer

N/A

### Question

Policies and meeting notices regarding the application and procurement process.

### Answer

N/A

### Question

Copies of any minutes from Kashunamiut School District Board or other meeting that include the SLP as an agenda item.

### Answer

N/A

### Question

Documentation pertaining to the competitive bidding process for FRN 1334190 and 1482636

### Answer

The district was in contract for services during this time period. See attached (Exhibit 1) contract.

### Question

Description of the method used and documentation supporting the discount calculation

### Answer

Attached (Exhibit 2) is documentation validating our discount rate.

**Question**

Record retention Policy that applies to, or was followed, for SLD related documentation.

**Answer**

Attached (Exhibit 3) is the record retention policy for the district.

**Question**

Proof of deposit of reimbursement received pertaining to FRN 1334712

**Answer**

Attached (Exhibit 4) is a copy of the check sent to the district

**Question**

Proof of payment of service provider bills for the following bill numbers for FRN 1334190:

**Answer**

Attached (Exhibit 5) is proof payment

*Anthony D. White Jr.*

E-Rate Coordinator

E-mail: [awhite@e-ratecentral.com](mailto:awhite@e-ratecentral.com)

Web: [www.e-ratecentral.com](http://www.e-ratecentral.com)

# Exhibit 1

## Internet Access Service Agreement

This Agreement between GCI Communication Corp., an Alaska corporation, ("GCI") and Kashunamiut School District ("Customer") sets forth the specific terms and conditions for Internet Access services that GCI will provide to the Customer (hereinafter, "Service Agreement"). This Service Agreement incorporates by reference the general terms and conditions set forth in GCI School Access General Terms and Conditions Agreement No. SAC-06-022. This Service Agreement is entered into as of 5 day of February, 2007 ("Effective Date").

3 56W (see Sched A signature page)

### 1. The Service

- 1.1 The Internet Access Service (the "Service") provides Customer access to the Internet computer network via a dedicated communications link. Customer may query its own servers, a GCI server or other servers connected to the Internet. GCI will provide a switch, hub or router to connect to Customer's local or wide area network. Internet access may be provided through GCI's or a partner's Internet platform. The Service does not include telephone Internet access service.
- 1.2 The Service includes electronic directory service. The directory service may be accessed and administered through a web interface and via the lightweight directory access protocol ("LDAP"). Other services will use this directory for user authentication.
- 1.3 The Service includes electronic mail ("e-mail") transport and storage services for Customer and Customer's users. Access to the e-mail services is via a web interface, and simple mail transfer ("SMTP"), Internet message access ("IMAP") and post office ("POP") protocols.
- 1.4 The Service includes web-hosting service. The web hosting service provides hard disk storage and supports user authentication, hypertext transfer protocol ("HTTP"), common gateway interface ("CGI"), practical extraction and report language ("PERL"), and FrontPage technologies.
- 1.5 The Service includes web content filtering. Customer may choose to have web content from the Internet directed through a filtering engine. Customer may choose from approximately thirty (30) different filtering categories and may create custom categories. GCI does not warrant that the web content filtering service will be one hundred percent (100%) effective.
- 1.6 The Service includes e-mail filtering. Customer may choose to have incoming e-mail messages reviewed for objectionable content and/or for computer viruses. GCI does not warrant that the e-mail filtering service will be one hundred percent (100%) effective.
- 1.7 With the Service, GCI shall provide technical support to Customer via telephone twenty-four (24) hours per day, seven (7) days per week.
- 1.8 With the Service, GCI shall provide training for Customer's technical personnel at mutually convenient times and places.

- 1.9 The Service includes domain name service ("DNS"), dynamic host configuration protocol ("DHCP") service and network address translation ("NAT") service as required to deliver Internet access.
- 1.10 With the Service, GCI will provide non-portable Internet Protocol ("IP") addresses (which shall be relinquished back to GCI when Service is terminated).
- 1.11 Customer is solely responsible for creating, managing, editing, reviewing, deleting and otherwise controlling Customer user accounts.
- 1.12 Customer is solely responsible for creating, managing, editing, reviewing, deleting and otherwise controlling the content of messages or information in connection with the Service. GCI is acting as a passive conduit only. GCI gives Customer complete discretion over the content to be accessed or distributed in connection with the Service. GCI has no obligation, and undertakes no responsibility to determine whether any such content may give rise to liability to third parties.

## 2. Term and Termination

This Service Agreement is for a term of 3 (three) years, commencing on July 1, 2003, and shall automatically renew for successive periods equal in length to the initial term unless terminated. Either party may terminate this Agreement: (a) at the end of the initial term or renewal term by providing the other party with at least thirty (30) days written notice; or, (b) except as otherwise stated herein, during any initial or renewal term if the other party breaches any material term or condition of this Service Agreement and fails to cure such breach within thirty (30) days after receipt of written notice.

## 3. Prices

- 3.1 The rates and charges for the Service are listed in Schedule A. The Customer shall agree to pay all fees and charges listed, including all city, state or federal taxes and surcharges. GCI reserves the right to change the rates and charges for any renewal term by providing you sixty (60) days written notice in advance of the effective date of the change.
- 3.2 If the Customer terminates this Service Agreement before the end of an initial or renewal term, the Customer shall pay an early termination charge equal to fifty percent (50 %) of the amount due for the remainder of the term at the rates in effect at the time of early termination except: (a) if the Customer is depending upon funding from the Federal Communication Commission's Universal Services Program to pay for the Service and properly terminates Service in accordance with Paragraphs 12.4 and 12.5 of the General Terms and Conditions Agreement, Agreement No. SAC-06-022 due to inability to obtain such funding; (b) if the Customer terminates Service due to a material breach of this Agreement by GCI in accordance with Para. 2.b of this Agreement; or, (c) GCI terminates this Agreement for any reason not due to a breach of the Agreement by the Customer.

## 4. Level of Service

- 4.1 Backbone and Distribution Bandwidth. On a regular basis, GCI shall monitor its distribution bandwidth for capacity and anomalies. GCI will begin the process to



upgrade its facilities when the following capacity usage occurs: eighty (80) percent utilization on a segment covering twenty (20) percent of any twenty-four (24) hour period for three (3) or more days in a row.

4.2 Service Interruptions. While GCI does provide proactive monitoring of Services, it shall be Customer's obligation to notify GCI of any interruption in service. GCI shall not be obligated to take any corrective action upon notice received from any source other than notice from the Customer and authorized agents. All service related contacts must be provided through the following options: e-mail to [schoolaccess@gci.com](mailto:schoolaccess@gci.com); calling GCI's SchoolAccess Helpdesk at (907) 868-6375 (Anchorage, AK) or (888) 254-2858 (toll free); or other means if available.

4.3 A Service Outage is defined as a period when Customer is unable to send or receive data packets to or from the Internet due to a failure of a GCI component used to provide Service. A Service Outage Period commences when Customer reports a Service outage, as documented by GCI's trouble tracking system, until such time as GCI notifies Customer that Service has been restored.

- a. Outages of thirty (30) minutes or less will be considered a minor service outage. Three (3) minor service outages in any one (1) day will be considered a major service outage. Outages of more than thirty (30) minutes will be considered a major service outage.
- b. If GCI causes a major service outage, GCI will provide a credit to the Customer calculated as follows: three (3) percent of one (1) month Service fee. The maximum credit allowed shall be one (1) credit per day. To obtain this credit, Customer must request it in writing. GCI will apply the credit to the Customer's invoice in the month following the request.
- c. A Service Outage does not include: (a) GCI's planned maintenance as discussed further in Para. 6 below; (b) outages caused by Customer's equipment or software; (c) slow dial tone, busy circuits, any local telephone company or long distance company network failures; (d) outages on other Internet Service Provider's networks or other networks not owned or controlled by GCI; or (e) other causes beyond GCI's reasonable control.

## 5. Installation

- 5.1 Service shall be delivered within ten (10) working days from the time the local exchange carrier(s) provide the required local loops for the Service.
- 5.2 In locations served directly by very small aperture terminal ("VSAT"), Service shall be delivered within forty-five to sixty (45-60) days from the date the Parties sign this Service Agreement and the General Terms and Conditions Agreement. This timing, however, is based on the Customer's fulfilling its obligation to provide an adequate site for the installation of facilities. Service will not be considered fully installed until GCI has received Customer's notice of final acceptance.
- 5.3 GCI shall bill the Customer for all normal installation expenses incurred to install and terminate the circuit on the GCI provided demarcation equipment at Customer's Premises. It does not include the following items, which shall be separately invoiced: (a) any local loop installation fees including any additional time or materials that may be required to extend the circuit from the LEC termination point to the physical location where the demarcation equipment will be installed; (b) any additional costs for equipment that may be required by

Customer that goes above and beyond the standard GCI provided demarcation equipment; (c) any travel and accommodation costs for technician(s) to/from the Service termination point in locations where applicable.

## 6. Maintenance Outages

GCI will conduct scheduled maintenance of its Internet platform, Services and distribution services, and will provide Customer a minimum of seventy-two (72) hours notice prior to this maintenance. These maintenance periods may cause Customer to experience brief interruptions in its Service. GCI's standard maintenance window is between 2:00 a.m. and 4:00 a.m. (Pacific Standard Time). Periodic maintenance may be conducted within the maintenance window on any day of the week without notification to Customer. For emergency repairs, GCI will use its best commercially reasonable efforts to conduct such repairs with a minimum of disruption to Customer.

## 7. Domain Name Registration

At Customer's request and expense, GCI shall assist in the registration of Customer's Internet domain name(s), provided that Customer represents and warrants to GCI that any name submitted to GCI and/or the domain name authority for registration, and all intellectual property rights therein, are owned exclusively by Customer, or that Customer has all necessary rights to register such name, and agrees to indemnify GCI against all losses incurred by GCI as a result of a breach of this warranty. GCI shall not be responsible for the inability to register any domain name(s).

## 8. Resale/Use

The Services defined herein are to be used for educational purposes and are only intended for the use of the given school/district to which this Service is being provided. Resale of any portion of these Services in part or in whole is prohibited. In addition, use of these Services for non-educational purposes or by individuals not affiliated with the Customer is also prohibited.

IN WITNESS WHEREOF, the Parties to this Agreement have executed and delivered this Agreement as of the Effective Date.

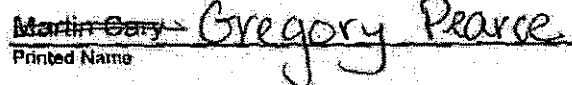
Kashunamiut School District

GCI Communication Corp.

  
Authorized Signature

  
Authorized Signature

  
Printed Name

  
Printed Name

## **Distance Learning Circuit Agreement**

This Agreement between GCI Communication Corp., an Alaska corporation, ("GCI") and Kashunamit School District ("Customer") sets forth the specific terms and conditions for Distance Learning services that GCI will provide to the Customer (hereinafter, "Service Agreement"). This Service Agreement incorporates by reference the general terms and conditions set forth in GCI School Access General Terms and Conditions Agreement No. SAC-06-022. This Service Agreement is entered into as of 5 day of 2 / 2003, 2003 ("Effective Date").

### **1. The Service**

- 1.1 The distance learning circuit (the "Service") provides Customer access to the GCI distance learning network via a demand-allocated communication link. Customer may connect to its own sites, a GCI site or other sites connected to the GCI distance learning network. The Service does not include access to other sites via the Internet.
- 1.2 The Service includes on-premise, E-rate eligible Equipment in order to provide end-to-end service.
- 1.3 The Service includes access to sites connected to the GCI Distance Learning Partnership Network. Access to sites not connected to the GCI Distance Learning Partnership Network, SchoolAccess DLS Classroom Hub or WireOne's Glowpoint Network will be charged on a per minute basis as outlined in Schedule A.
- 1.4 With the Service, GCI shall provide technical support to Customer via telephone twenty-four (24) hours per day, seven (7) days per week.
- 1.5 With the Service, GCI shall provide Equipment familiarization for Customer's personnel at mutually convenient times and places.
- 1.6 With the Service, GCI will provide non-portable Internet Protocol ("IP") addresses (which shall be relinquished back to GCI when Service is terminated).
- 1.7 Customer is solely responsible for creating, managing, editing, reviewing, deleting and otherwise controlling Customer user accounts.
- 1.8 Customer is solely responsible for creating, managing, editing, reviewing, deleting and otherwise controlling the content of messages or information in connection with the Service. GCI is acting as a passive conduit only. GCI gives Customer complete discretion over the content to be accessed or distributed in connection with the Service. GCI has no obligation, and undertakes no responsibility to determine whether any such content may give rise to liability to third parties.

### **2. Term and Termination**

This Service Agreement is for a term of 3 (three) years, commencing on July 1, 2003, and shall automatically renew for successive periods equal in length to the initial term

unless terminated. Either party may terminate this Agreement: (a) at the end of the initial term or renewal term by providing the other party with at least thirty (30) days written notice; or, (b) except as otherwise stated herein, during any initial or renewal term if the other party breaches any material term or condition of this Service Agreement and fails to cure such breach within thirty (30) days after receipt of written notice.

### 3. Prices

- 3.1 The rates and charges for the Service are listed in Schedule A. The Customer shall agree to pay all fees and charges listed, including all city, state or federal taxes and surcharges. GCI reserves the right to change the rates and charges for any renewal term by providing you sixty (60) days written notice in advance of the effective date of the change, except LEC pricing which is subject to tariff changes.
- 3.2 If the Customer terminates this Service Agreement before the end of an initial or renewal term, the Customer shall pay an early termination charge equal to fifty percent (50 %) of the amount due for the remainder of the term at the rates in effect at the time of early termination except: (a) if the Customer is depending upon funding from the Federal Communication Commission's Universal Services Program to pay for the Service and properly terminates Service in accordance with Paragraphs 12.4 and 12.5 of the General Terms and Conditions Agreement, Agreement No. SAC-06-022 due to inability to obtain such funding; (b) if the Customer terminates Service due to a material breach of this Agreement by GCI in accordance with Para. 2.b of this Agreement; or, (c) GCI terminates this Agreement for any reason not due to a breach of the Agreement by the Customer.

### 4. Level of Service

- 4.1 Network Capacity. On a regular basis, GCI shall monitor its backbone bandwidth for capacity and anomalies. GCI will begin the process to upgrade its facilities when the following capacity usage occurs: eighty (80) percent utilization on a segment covering twenty (20) percent of any twenty-four (24) hour period for three (3) or more days in a row.
- 4.2 Service Interruptions. While GCI does provide proactive monitoring of Services, it shall be Customer's obligation to notify GCI of any interruption in service. GCI shall not be obligated to take any corrective action upon notice received from any source other than notice from the Customer and authorized agents. All service related contacts must be provided through the following options: e-mail to schoolaccess@gci.com; calling GCI's SchoolAccess Helpdesk at (907) 868-6375 (Anchorage, AK) or (888) 254-2858 (toll free); or other means if available.
- 4.3 A Service Outage is defined as a period when Customer is unable to participate in an interactive session with another site on the GCI distance learning network due to a failure of a GCI component used to provide Service. A Service Outage Period commences when Customer reports a Service outage, as documented by GCI's trouble tracking system, until such time as GCI notifies Customer that Service has been restored.
- a. Outages of thirty (30) minutes or less will be considered a minor service outage. Three (3) minor service outages in any one (1) day will be considered a major

service outage. Outages of more than thirty (30) minutes will be considered a major service outage.

- b. If GCI causes a major service outage, GCI will provide a credit to the Customer calculated as follows: three (3) percent of one (1) month Service fee. The maximum credit allowed shall be one (1) credit per day. To obtain this credit, Customer must request it in writing. GCI will apply the credit to the Customer's invoice in the month following the request.
- c. A Service Outage does not include: (a) GCI's planned maintenance as discussed further in Para. 6 below; (b) outages caused by Customer's equipment or software; (c) any local telephone company or long distance company network failures; (d) outages on the Internet, other distance learning networks or other networks not owned or controlled by GCI; or (e) other causes beyond GCI's reasonable control.

## 5. Installation

- 5.1 Service shall be delivered within ten (10) working days from the time the local exchange carrier(s) provide the required local loops for the Service.
- 5.2 In locations served directly by very small aperture terminal ("VSAT"), Service shall be delivered within forty-five to sixty (45-60) days from the date the Parties sign this Service Agreement and the General Terms and Conditions Agreement. This timing, however, is based on the Customer's fulfilling its obligation to provide an adequate site for the installation of facilities. Service will not be considered fully installed until GCI has received Customer's notice of final acceptance.
- 5.3 GCI shall bill the Customer for all normal installation expenses incurred to install and terminate the circuit on the GCI provided demarcation equipment at Customer's Premises. It does not include the following items, which shall be separately invoiced: (a) any local loop installation fees including any additional time or materials that may be required to extend the circuit from the LEC termination point to the physical location where the demarcation equipment will be installed; (b) any additional costs for equipment that may be required by Customer that goes above and beyond the standard GCI provided demarcation equipment; (c) any travel and accommodation costs for technician(s) to/from the Service termination point in locations where applicable.

## 6. Maintenance Outages

GCI will conduct scheduled maintenance of its distance learning network, Services and distribution services, and will provide Customer a minimum of seventy-two (72) hours notice prior to this maintenance. These maintenance periods may cause Customer to experience brief interruptions in its Service. GCI's standard maintenance window is between 2:00 a.m. and 4:00 a.m. (Pacific Standard Time). Periodic maintenance may be conducted within the maintenance window on any day of the week without notification to Customer. For emergency repairs, GCI will use its best commercially reasonable efforts to conduct such repairs with a minimum of disruption to Customer.

## 7. Resale/Use


The Services defined herein are to be used for educational purposes and are only intended for the use of the given school/district to which this Service is being provided. Resale of any portion of these Services in part or in whole is prohibited. In addition, use of these Services for non-educational purposes or by individuals not affiliated with the Customer is also prohibited.

IN WITNESS WHEREOF, the Parties to this Agreement have executed and delivered this Agreement as of the Effective Date.

Kashunamiut School District

GCI Communication Corp.

  
Authorized Signature

  
Authorized Signature

Jack Foster  
Printed Name

Martin Cary Gregory Pearce  
Printed Name

## Schedule A

This Schedule sets forth the specific Pricing for Services that GCI will provide to the Customer (hereinafter, "Pricing"). This Schedule incorporates by reference the general terms and conditions set forth in GCI School Access General Terms and Conditions Agreement No. SAC06-022; Internet Access Service Agreement Contract No. SAC06-022-1; and Distance Learning Circuit Agreement Contract No. SAC06-022-2. This Schedule is effective as of 5th day of February, 2003 ("Effective Date")

### Pricing

The rates and charges for Services are listed below. Customer understands that all LEC pricing is subject to tariff changes and that billing will commence immediately following service turn up.

Service	Location	Qty	Non Recurring Charge (NRC)	Total NRC	Monthly Recurring Charge (MRC)	Total MRC
SchoolAccess 512/128 VSAT	Chevak	1	\$1,000.00	\$1,000.00	\$3,760.00	\$3,760.00
SchoolAccess DLS*	Chevak	1	\$1,000.00	\$1,000.00	\$4,800.00	\$4,800.00
Classroom VTC System**	Chevak	1			\$185.00	\$185.00

\*Must be purchased with SchoolAccess Internet Product. Off Network Charges are not included in this price. All off network charges will be charged at \$.10/minute/64kb channel.

\*\*Equipment is not E-rate eligible.


IN WITNESS WHEREOF, the Parties have executed and delivered this Schedule as of the Effective Date.


Kashunamiut School District

GCI Communication Corp.

  
Authorized Signature

  
Authorized Signature

  
Printed Name

  
Printed Name

## **GCI SchoolAccess™ General Terms And Conditions**

SAC06-022

This Agreement (SAC06-022) between GCI Communication Corp., an Alaska corporation, ("GCI") and Kashunamiut School District, an Alaskan School District ("Customer") sets forth the general terms and conditions governing GCI's provision of telecommunications, Internet or other specified services to the Customer, which are more specifically described in and defined by the related Service Agreements. This Agreement is entered into as of 5 day of February, 2003 ("Effective Date").

### **1. Definitions**

- 1.1 **"Equipment"** means devices and associated hardware installed by GCI on Customer's Premises to provide Service(s) to the Customer.
- 1.2 **"Installation Charge"** means a nonrecurring charge related to the installation of one or more Services.
- 1.3 **"Monthly Recurring Charge (MRC)"** means a recurring charge related to the continued operation of one or more Service(s).
- 1.4 **"Parties"** means Customer and GCI together.
- 1.5 **"Party"** means Customer or GCI.
- 1.6 **"Premises"** means Customer's location(s) that is (are) suitable for the installation and use of Equipment to provide telecommunications, Internet, or other services.
- 1.7 **"Service(s)"** means one or more of the telecommunication and/or Internet services that GCI will provide to the Customer for primary, middle or secondary schools under the SchoolAccess™ brand name.
- 1.8 **"Service Agreement"** means any agreement between GCI and the Customer for the provision of Service(s), which incorporates by reference the general terms and conditions of the Agreement herein.
- 1.9 **"Software"** means the software and firmware incorporated into any Equipment used or provided by GCI, and any part of the GCI network, to provide Service(s) to the Customer.
- 1.10 **"Unauthorized Purpose"** means (a) obtaining access to or use of the Service(s) with intent to avoid payment, in whole or in part, of charges due, (b) access to, use of, alteration of, or destruction of the data files, programs, procedures, or information associated with the Equipment, Software or Service, (c) use of the Equipment or the Service which causes or contributes to any malfunction or outage, or (d) use of the Equipment or the Service for any purpose or in any manner which, directly or indirectly, violates the law or aids in any unlawful act or undertaking.
- 1.11 **"USF Discount(s)"** means the different levels of funding that eligible schools and libraries may receive on eligible telecommunication services through the Federal Communication Commission's Schools and Libraries Program. This program is administered by the Schools and Libraries Division of the Universal Service Administrative Company.



## 2. Other Definitions

Other terms used in this Agreement are defined in the context in which they are used and shall have the respective meanings there indicated. Additionally, the Service Agreements between GCI and the Customer may include definitions and those will control in the event there is a conflict between this Agreement and a Service Agreement.

## 3. GCI Responsibilities

3.1 GCI shall provide, operate and maintain the Service(s) set forth in and further defined by any Service Agreement between GCI and the Customer.

3.2 GCI shall obtain and maintain all permits, licenses, or certificates required of it by any regulatory body to provide the Service. The provision of such Service shall be conditional upon the obtaining of all such necessary approvals.

## 4. Customer Responsibilities

4.1 Customer shall at its own expense be responsible for preparing and providing a site at its Premises that is suitable for GCI to install the Equipment. Additionally, Customer shall give GCI and its agents reasonable access to its Premises at all reasonable times to install, operate and maintain the Equipment.

4.2 Customer shall track the physical location of Equipment GCI installs at the Customer's Premises, and, upon request, report such locations to GCI.

4.3 Customer shall be responsible for complying with the relevant terms and conditions of Internet use that apply, which will depend upon the Customer's selection of an Internet Service Provider ("ISP"). If GCI is the chosen ISP, GCI's terms and conditions are set forth at: <http://www.gci.net/inc/> and are specifically incorporated herein.

4.4 Customer is solely responsible for the security of its own network and equipment, including without limitation, any defects (i.e. bugs or viruses) that are imported to its network or equipment through the Internet.

4.5 Customer shall be responsible for communicating with its own users of the Service, and for handling all complaints and trouble reports made by such users.

## 5. Equipment and Software

5.1 Services provided by GCI may require the use of Customer-owned equipment to perform functions such as a hub, switch or router. Customer-owned equipment used in connection with the Service GCI will provide must be purchased separately by the Customer and conform to industry standards. Additionally, the Customer agrees to cooperate with GCI to configure such equipment to work compatibly with GCI's Equipment to provide the Service requested by the Customer. GCI is not responsible for the installation, maintenance, or performance of any equipment or software not provided by GCI.

5.2 Customer acknowledges that all right, title and interest in any and all technology and intellectual property forming part of the provision of Service, including without limitation, the Software and related documentation, and the trademarks, tradenames and service marks of

GCI are vested in GCI. Nothing in this Agreement shall give the Customer any right, title, claim or interest in GCI's Intellectual Property unless otherwise provided in the Service Agreement. In the absence of GCI prior consent, the Customer shall not use in any manner GCI's Intellectual Property.

5.3 Customer shall not use, or attempt to use, the Equipment or Service for any Unauthorized Purpose.

5.4 Title to all Equipment provided by GCI under this Agreement shall remain with GCI.

## 6. Service Changes

6.1 Customer may request Service upgrades and GCI will supply such upgrades to the extent they are technically feasible and practicably available. Upgrades shall be defined as an increase in transmission capability. If such upgrades require material modifications to the existing Service or Equipment, there will be additional charges. GCI will present an itemization of such additional charges to the Customer for approval prior to implementing any service upgrades. No termination charges will be assessed for Service upgrades.

6.2 Customer may also downgrade its Service to the next available lower speed. Customer may downgrade no more than one (1) time in any twelve (12) month period. If Customer disconnects service within six (6) months of downgrading the speed of the connection any applicable termination charge will be based on the connection speed immediately prior to such downgrade.

6.3 Customer may move the physical location of site where GCI is providing Service to the Customer subject to the following conditions: (a) GCI and the Customer execute a new Service Agreement to provide Service to the Customer at the new location; and (b) Customer requests GCI to install and provide Service at the new location on or prior to the disconnection date of the existing Service.

6.4 Customer must provide written notice to GCI at least thirty (30) days in advance to upgrade, downgrade or relocate Service. Additionally, the Parties agree to execute written Amendments to the relevant Service Agreement to implement such Service changes.

## 7. GCI'S Warranty; Customer's Sole Remedy

7.1 GCI represents and warrants that the Service it will provide to the Customer pursuant to this Agreement and relevant Service Agreement(s) shall be performed in accordance with generally accepted industry standards for services of a similar nature and that such services shall be performed by GCI employees and subcontractors who are competent and qualified to perform their responsibilities.

7.2 The Customer acknowledges that its sole and exclusive remedy for a breach of the warranty referred to in Sec. 7.1 shall be to receive a pro rata credit for the loss of service that results from such breach. These credits are more specifically defined in the relevant Service Agreements.

7.3 Disclaimer. THIS AGREEMENT AND THE RELATED SERVICE AGREEMENTS ARE FOR THE PROVISION OF SERVICES ONLY. UNLESS OTHERWISE EXPRESSLY SPECIFIED IN A SERVICE AGREEMENT, THE WARRANTY REFERRED TO IN SEC. 7.1 CONSTITUTE GCI'S ONLY WARRANTIES IN RELATION TO THE SERVICES PROVIDED BY THIS AGREEMENT AND THE RELATED SERVICE AGREEMENTS. THE CUSTOMER

ACKNOWLEDGES THAT THE SERVICES GCI PROVIDES ARE "AS IS" AND THAT THERE ARE NO OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, IN RELATION TO GCI'S SERVICE, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE. EXCEPT AS EXPRESSLY SET FORTH IN ONE OF THE RELATED SERVICE AGREEMENTS, GCI DOES NOT WARRANT THAT ITS EQUIPMENT, SOFTWARE OR SERVICE WILL PERFORM AT A PARTICULAR SPEED OR THAT SERVICE WILL BE UNINTERRUPTED, ERROR-FREE OR COMPLETELY SECURE.

## 8. Limitation of Liability

EXCEPT WITH REGARDS TO THE INDEMNITY OBLIGATION ARISING UNDER SECTION 11 IN THIS AGREEMENT AND APPLICABLE PENALTY PROVISIONS FOR EARLY TERMINATION OF SERVICE THAT ARE MORE SPECIFICALLY DEFINED IN RELEVANT SERVICE AGREEMENTS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES OF ANY KIND OR NATURE, INCLUDING WITHOUT LIMITATION, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT AND THE RELATED SERVICE AGREEMENTS.

## 9. Force Majeure

Neither Party will be responsible for failure or delay in performing its obligations under this Agreement and the related Service Agreements if such failure or delay is due to circumstances beyond the Party's reasonable control and without the fault or negligence of the party claiming excusable delay, including without limitation, acts of any governmental body, war, sabotage, embargo, fire, flood, strike, or other labor disturbance, interruption of or delay in transportation, inability to obtain raw materials, supplies or power used in or equipment needed for provision of Service. If, as a result of the force majeure conditions, the Service is unavailable for a period of thirty (30) continuous days, either Party may terminate this Agreement and related Service Agreement with no further obligation to other Party except for Customer's obligation to pay for Services rendered prior to the date of termination.

## 10. Insurance and Risk of Loss

10.1 Where this Agreement or a Service Agreement requires performance by the employees of GCI or the Customer, the performing Party shall carry and maintain adequate employer's liability insurance covering its employees engaged in such performance. Further, each Party shall carry such other insurance coverage, including without limitation, comprehensive general liability and errors and omissions or professional liability insurance coverage, in such amounts and against such risks as a normally prudent person in the same or similar business or industry would consider appropriate.

10.2 GCI shall be responsible for the risk of loss, damage, or destruction of the Equipment provided by GCI for the provision of Service apart from the loss, damage or destruction to such Equipment caused by the negligence or willful misconduct of the Customer, its employees, agents or users.

## 11. Indemnities

### 11.1 Indemnification by GCI

- (i) GCI shall indemnify and hold harmless the Customer from any and all claims, damages, losses, liabilities, suits, actions, demands, proceedings (whether legal or administrative) and all related costs and expenses (including all reasonable legal fees and reasonable costs of investigation, litigation, settlement and judgment) (collectively, "Damages") threatened, asserted, or filed by a third party against the Customer or arising out of or relating to the injury or death of any individual or the loss or damage to real property, in each case, resulting from the willful misconduct or negligent acts or omissions of GCI, its agents or employees.
- (ii) GCI at its own expense and at the Customer's request shall defend or settle any actual or threatened claim to the extent that it is based upon a claim that the use of the Software provided by GCI infringes any United States patent, or any trademark, copyright or trade secret of a third party enforceable in the United States (an "IP Infringement Claim") and shall indemnify the Customer and hold it harmless against all Damages arising out of the foregoing.
- (iii) GCI shall have no obligation or liability for any IP Infringement Claim to the extent such action is based on (a) the manufacture, distribution, or use of the Software in violation of this Agreement or a Service Agreement; or (b) the adaptation or modification of any portion of the Software other than by GCI and its agents. The rights and remedies granted to the Customer under Section 11.1(ii) constitute the Customer's sole and exclusive remedy against GCI, officers, agents and employees for any and all claims of infringement of intellectual property rights arising in connection with the Service and the Software.

#### 11.2 Indemnification by Customer

The Customer shall indemnify and hold harmless GCI from any and all claims, damages, losses, liabilities, suits, actions, demands, proceedings (whether legal or administrative) and all related costs and expenses (including all reasonable legal fees and reasonable costs of investigation, litigation, settlement and judgment) (collectively, "Damages") threatened, asserted, or filed by a third party against GCI or arising out of or relating to the injury or death of any individual or the loss or damage to real or personal property, in each case, resulting from the willful misconduct or negligent acts or omissions of the Customer, its agents, employees or users.

#### 11.3 Indemnity Procedures

In the event of a third party claim with respect to which a Party is entitled to indemnification under this Agreement, such Party ("Indemnified Party") shall notify the other Party ("Indemnifying Party") in writing as soon as practicable; provided that any delay in giving such notice shall not preclude the Indemnified Party from seeking indemnification hereunder to the extent such delay has not materially prejudiced the Indemnifying Party's ability to defend such claim. The Indemnified Party shall have the right to resist and dispose of such claim in such manner as it reasonably deems appropriate; provided however, that the Indemnifying Party (or its insurer) shall have the right to assume the defense thereof, including but not limited to, the employment of counsel of its own choosing reasonably satisfactory to the Indemnified Party and payment of all expenses in connection therewith. The Indemnifying Party shall be responsible for and shall reimburse the Indemnified Party for any reasonable costs or expenses incurred by the Indemnified Party prior to the time that the Indemnifying Party assumes the defense of the claim. The Indemnified Party shall reasonably cooperate with the Indemnifying Party in the defense and/or settlement of the claim; provided, however, that if a conflict of interest exists vis-à-vis the interests of the Indemnifying Party and the Indemnified Party, or the Indemnifying Party fail to diligently and promptly defend

the Indemnified Party, the Indemnified Party shall be entitled to defend the claim with counsel of its own choosing at the expense of the Indemnifying Party. Upon the assumption by the Indemnifying Party of the defense of the claim:

- (i) If there is a reasonable probability that a settlement or compromise of the claim may adversely affect the Indemnified Party, the Indemnifying Party shall not settle or compromise such claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed; and
- (ii) If the facts giving rise to the indemnification or defense hereunder shall involve a possible claim by the Indemnified Party against a third party, the Indemnified Party shall have the right, at its own cost and expense, to undertake the prosecution, compromise and settlement of such claim.

## 12. Billing and Payment

12.1 GCI shall begin billing Customer for Services after (a) Service has been fully installed and tested; (b) Customer has given GCI notice of acceptance; and (c) the Service is available for Customer use.

12.2 Unless otherwise specified in a Service Agreement, GCI shall invoice Customer monthly for all Services, and payment for Services shall be due within thirty (30) days from the date of the invoice. Unpaid balances shall accrue interest at the rate of seven eighths of one percent (0.875%) per month until paid, plus GCI's reasonable cost of collection, including attorneys' fees and costs.

12.3 Unless otherwise specified in a Service Agreement, invoices that remain unpaid for more than 60 days are grounds that would allow GCI to terminate Service with the Customer. Termination of Service under these circumstances would not relieve the Customer of the obligation to pay for past due amounts and all other obligations that may exist under any applicable Service Agreement.

12.4 If the Customer is relying on funding from the Universal Services Program to pay for the Service, the Customer agrees that it shall use all reasonable and lawful means to obtain such funding under the Universal Services Program, including applying for such funding in a timely manner and requesting sufficient funds to cover the costs of Service. If the Customer fails to comply with the applicable rules for requesting such funding, the Customer shall be obligated to pay to GCI for the full amount of the Service.

12.5 Unless otherwise specified in a Service Agreement, the Customer may terminate Service, in whole or in part, if the Customer is denied funding from the Universal Services Program for reasons other than noncompliance with the relevant rules for applying for such funds. Under such circumstances, the Customer shall provide not less than thirty (30) days written notice of termination. Additionally, upon termination, the Customer shall remain liable for its portion of the Service, as applied for, that is not funded through the Universal Services Program and shall remit all such amounts to GCI that are outstanding prior to termination.

12.6 Unless otherwise specified in a Service Agreement, the Customer is always liable for the portion of the Service that is not funded through the Universal Services Program and must remit such amounts to GCI on a timely basis each month.

12.7 Unless otherwise specified in a Service Agreement, if the Customer disputes any amount of the monthly invoice, the Customer must pay such amounts that are not disputed in a timely manner and provide GCI with a written request for billing adjustment along with all supporting documentation on the disputed amount.

### 13. Dispute Resolution

Any dispute, controversy or claim concerning this Agreement and a Service Agreement shall be resolved in the following manner:

(a) Negotiation. In the event of a controversy or claim arising out of or relating to this Agreement or a Service Agreement, the Parties shall first seek to resolve such dispute through negotiation. The Parties shall each appoint a representative, who shall promptly confer, either in person or by telephone, in an effort to resolve the dispute. If, following thirty (30) days of negotiation the representatives are unable to resolve the dispute, either Party may then refer such dispute to mediation in accordance with paragraph (b) below.

(b) Mediation. If the Parties have not been successful in resolving a dispute through negotiation, the Parties agree to resolve the dispute through mediation by submitting the dispute to a sole mediator selected by the Parties or, at any time at the option of a Party, to mediation by the American Arbitration Association. The mediation shall be conducted in Anchorage, Alaska. Each Party shall bear its own expenses and an equal share of the expenses of the mediator and the fees of the American Arbitration Association. Nothing in this clause shall be construed to preclude any Party from seeking injunctive relief in order to protect its rights pending mediation.

(c) Final Resolution. Any controversy or claim arising out of or relating to this Agreement or a Service Agreement that has not been resolved through negotiation or mediation shall be resolved in a court of law in accordance with Section 17.6.

(d) Continued Performance. Except where clearly prevented by a dispute arising under this Section, the Parties shall continue performing their respective duties, obligation and responsibilities under this Agreement or Service Agreement, while the dispute is being resolved in accordance with this Section unless and until such obligations are lawfully terminated or expire in accordance with the provisions hereof.

### 14. Severability

If any portion of this Agreement or a Service Agreement is held to be unenforceable, the unenforceable portion shall be construed in accordance with applicable law as nearly as possible to reflect the original intentions of the parties and the remainder of the provisions shall remain in full force and effect.

### 15. Waiver

Either Party's failure to insist upon or enforce strict performance of any provision of the Agreement or a Service Agreement shall not be construed as a waiver of any provision or right. Neither the course of conduct between Parties nor trade practice shall act to modify any provision of this Agreement or a Service Agreement.

### 16. Right to Modify Agreement or Service Agreement

Unless otherwise specified in a Service Agreement, GCI reserves the right to modify this Agreement and/or a Service Agreement as circumstances may warrant. GCI will provide the Customer with a written notice at least thirty (30) days prior to implementing any such changes. If the Customer objects to the proposed changes, then the Customer may terminate this Agreement and the Service Agreement by written notice to GCI within thirty (30) days of the date of the

notice of proposed changes provided that termination is related to the Customer's objection to the proposed changes. If Customer fails to contact GCI regarding the proposed changes within thirty (30) days from the notice date, then the proposed changes will be deemed approved by the Parties take effect from the date such changes are implemented.

## 17. Miscellaneous

- 17.1 This Agreement and related Service Agreements constitute the complete agreement between the Parties and supersedes all prior understandings or arrangements between them regarding the subject matter of this Agreement and the Service Agreement. Where there is a conflict between the terms of this Agreement and a Service Agreement, the latter shall govern. This Agreement and the Service Agreement may not be amended or modified except in writing signed by an authorized representative of each of the Parties.
- 17.2 Neither Party shall assign its rights or obligations under this Agreement or related Service Agreement without the prior written consent of the other Party; provided, however, that either Party may assign all or part of its rights or obligations to an entity that controls, is controlled by or is under common control with the assigning Party, or to any successor in interest without the prior written consent of the other Party. Subject to the foregoing, this Agreement and related Service Agreements shall be binding upon and shall inure to the benefit of the Parties, their successors and permitted assigns.
- 17.3 Notices under this Agreement and related Service Agreement shall be in writing and shall be deemed given when delivered personally or by e-mail (with confirmation of receipt) or conventional mail (registered or certified, postage prepaid with return receipt requested). Notices shall be addressed to the Parties at the addresses appearing in the signature block below, but each Party may change the address by written notice in accordance with this paragraph.
- 17.4 It is the explicit intention of the Parties hereto that no person or entity other than the Parties is or shall be entitled to bring any action to enforce any provision of this Agreement or Service Agreement against either of the Parties, and the covenants, undertakings, and agreements in this Agreement and Service Agreements shall solely be for the benefit of and shall be enforceable only by the Parties hereto or their respective successors and assigns as permitted hereunder.
- 17.5 Nothing in this Agreement and Service Agreements shall be construed to constitute GCI and the Customer in the relationship of an employer-employee, principal-agent, partners or joint venturers or as anything other than a contract for service performed by GCI for the Customer. Neither Party shall have the authority to make any representations, claims, and warranties of any kind on behalf of the other Party. Under no circumstances shall any employee of one Party be deemed to be the employee of the other for any purpose.
- 17.6 This Agreement shall be governed by and construed under the laws of the State of Alaska. The Parties hereby submit to the personal jurisdiction of, and agree that any legal proceeding with respect to or arising under this Agreement and/or a Service Agreement will be brought in the state and federal courts sitting in Anchorage, Alaska. The Parties acknowledge that the aforesaid courts shall have exclusive jurisdiction over this Agreement and/or a Service Agreement, and specifically waive any claims which they may have that involve jurisdiction or venue, including but not limited to forum non conveniens.
- 17.7 Unless otherwise provided in this Agreement or Service Agreement, all rights and remedies of the Parties, in law or equity, are cumulative and may be exercised concurrently or separately. The exercise of one remedy will not be an election of that

remedy to the exclusion of other remedies unless provided otherwise in this Agreement or Service Agreement.

IN WITNESS WHEREOF, the Parties to this Agreement have executed and delivered this Agreement as of the Effective Date.


**Kashunamiut School District**


**GCI Communication Corp.**

  
Authorized Signature

  
Authorized Signature

  
Printed Name

  
Printed Name

  
Title

Vice President - ~~Business Services~~  
Title

2-6-03  
Date

2-6-03  
Date

Attention: Corporate Counsel  
GCI Communication Corp.  
2550 Denali Street, Suite 1000  
Anchorage, AK 99503  
Fax: (907) 265-5676

Address for Notices

Address for Notices



GCI Communication Corp.  
USAC SPIN 143001199  
FCCRN 0001-5688-80

2550 Denali Street, Suite 1000  
Anchorage, Alaska 99503  
907-888-5000



**SCHOOLACCESS®**

**SchoolAccess® Distance Learning Circuits  
Service Agreement SA-199**

GCI Communication Corp., an Alaska corporation ("GCI") will provide and Kashunamit School District ("Customer"), will take the Service(s) described below. This Services Agreement and the following SchoolAccess® Terms and Conditions are referred to collectively as the "Agreement." This Agreement sets forth the specific pricing for the service(s) GCI will provide to the Customer (collectively, "Pricing").

Service	Monthly Recurring Charge	Non- Recurring Charges	Qty	Monthly Recurring Charge	Total Non- Recurring Charges	Months per Year	Annual Recurring Charges
Chevak							
SchoolAccess DLS	3,850.00	0.00	1	3,850.00	0.00	12	46,200.00
Plus VTC System	185.00	0.00	1	185.00	0.00	12	2,840.00
<b>Totals</b>				<b>4,045.00</b>	<b>0.00</b>		<b>48,540.00</b>

**Kashunamit School District**

*Samson Mathian*  
Authorized Customer Signature

SAMSON MATHIAN, GENERAL MANAGER  
Printed Name and Title

Feb. 16, 2006  
Contract Date

**GCI Communication Corp.**

*Martin Cary*  
Authorized GCI Signature

MARTIN CARY, VP/CM  
Printed Name and Title

2/16/06  
Date Signed

Address for notices:  
Kashunamit School District  
985 KSD Way  
Chevak, AK 99563

Address for notices:  
GCI  
2550 Denali Street, Suite 1000  
Attention: Greg Dutton  
Anchorage, AK 99503

With a copy to:  
GCI  
Attention: Corporate Counsel  
2550 Denali Street, Suite 1000  
Anchorage, AK 99503

GCI Communication Corp.  
USAC SPIN 143001199  
FCCRN 0001-5688-80

2550 Denali Street, Suite 1000  
Anchorage, Alaska 99503  
907-868-5600



**SCHOOLACCESS®**

### SchoolAccess® Service Agreement SA-198

GCI Communication Corp., an Alaska corporation ("GCI") will provide and Kashunamiut School District ("Customer"), will take the Service(s) described below. This Services Agreement and the following SchoolAccess® Terms and Conditions are referred to collectively as the "Agreement." This Agreement sets forth the specific pricing for the service(s) GCI will provide to the Customer (collectively, "Pricing").

Service	Monthly Recurring Charge	Non- Recurring Charges	Qty	Monthly Recurring Charge	Total Non- Recurring Charges	Months per Year	Annual Recurring Charges
Chevak							
SchoolAccess EIS 1.5M/512K	5,420.00	500.00	1	5,420.00	500.00	12	65,040.00
Email Account Fee	0.50	0.00	440	220.00	0.00	12	2,640.00
Firewall Service	250.00	500.00	1	250.00	500.00	12	3,000.00
Web Content Filtering	4.99	0.00	1	4.99	0.00	12	59.88
Email Filtering (Spam/Anti-virus)	0.15	0.00	440	66.00	0.00	12	792.00
<b>Totals</b>				<b>5,960.99</b>	<b>1,000.00</b>		<b>71,531.88</b>

#### Kashunamiut School District

*Samuel Matchman*  
Authorized Customer Signature

SAMUEL MATCHMAN, GENERAL MANAGER  
Printed Name and Title

Feb. 16, 2006  
Contract Date

#### GCI Communication Corp.

*Martin Carey*  
Authorized GCI Signature

MARTIN CAREY VP/GM  
Printed Name and Title

2/16/06  
Date Signed

Address for notices:  
Kashunamiut School District  
985 KSD Way  
Chevak, AK 99563

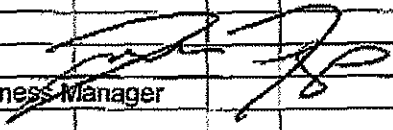
Address for notices:  
2550 Denali Street, Suite 1000  
Attention: Greg Dutton  
Anchorage, AK 99503

With a copy to:  
GCI  
Attention: Corporate Counsel  
2550 Denali Street, Suite 1000  
Anchorage, AK 99503

# Exhibit 2

**Alaska Department of Education and Early Development**  
**Child Nutrition Services**  
**Free and Reduced Price Percentage Report**  
**School Year 2005-2006 (FFY 06)**

District Number	School Number	Sponsor/Site:	Free & Reduced			Enrollment	2005-2006
			Free	Reduced	Combined		
55	550010	Kashunamini School District Chevak School	193	74	267	355	75%

Kashunamiut School District Summary of FY04						
Free and reduced lunch summary						
	Free	Reduced	denied	no application	total	
K	13	8	7		28	
1	13	5	5	2	25	
2	15	8	5	1	29	
3	13	2	5	0	20	
4	19	12	5	0	36	
5	15	5	0	0	20	
6	12	9	10	0	31	
7	14	4	4	0	22	
8	20	6	6	1	33	
9	31	6	6	4	47	
10	9	5	9	2	25	
11	12	1	7	1	21	
12	7	3	7	1	18	
Total	193	74	76	12	355	
Total free and reduced		267				
total students		355				
percent free and reduced		0.752113				
<p>The above summary was compiled from the grade attendance and free and reduced lunch student reports.</p> <p>The student grade summaries were compiled from the list of students enrolled and free and reduced application information collected in the fall of 2003. Student listing were gathered from the Power School system and the school attendance clerk.</p>						
I certify the above is correct and accurate:			 Business Manager			
Date:	11/9/04					

74

# Exhibit 3

In the past year our district took great strides enhancing our internal document retention regarding the E-rate process. After thoroughly reviewing the USAC website here are the clear and precise steps KSD will take moving forward regarding documenting all E-Rate related work.

- Creating an E-Rate Binder/Folder every funding year.
- The binder/folder will contain the following, but not limited to:
  - Draft Tech Plan (If applicable)
  - Form 470
  - Bids
  - Bid Matrix (If applicable)
  - Form 470 Notification Letter
  - Minutes from meeting(s) if we have to select a vendor
  - Draft materials for the Form 471
  - Form 471
  - Form 471 notification letter
  - Form 486
  - Form 472's
  - Services Substitutions
  - SPIN Changes
  - Form 500's
  - Quarterly Disbursement report
  - Any other document that is E-Rate related.

With E-Rate being such an important tool to KSD, we want to assure USAC that we have taken great strides assuring your company if audited again, the process of receiving documents will run very smooth. All documents will be in order and in place if they are needed in the future. We would also like to stress that KSD will not commit any waste fraud or abuse to the E-Rate program and respect the program for what it has done for the children of Kashunamit.

# Exhibit 4





CHECK NO. 93864503  
DATE 01/17/2007  
CHECK AMT. 2,267.35  
FOR INQUIRIES CALL 9072647877  
SYSTEM  
SYSTEM CODE

RAPSB

← DETACH CHECK ALONG THIS PERFORATION →

THE BACK OF THIS CHECK CONTAINS A SECURITY MARK - DO NOT ACCEPT WITHOUT HOLDING AT AN ANGLE TO VERIFY SECURITY MARK



JPMorgan Chase Bank, N.A.  
0770, Chicago, Illinois  
Payable through FCC National Bank, Wilmington, Delaware  
Account Number 0971782

62-28  
311

Date 01/17/2007 Check Number 93864503

Pay this amount

\*\*\*\*\*2,267.35

PAY TWO THOUSAND TWO HUNDRED SIXTY SEVEN AND 35/100\*\*\*\*\*

To the order of

Kashunaiut School District  
985 KSD Way  
Attn: Kevin Buxton  
Chevak, AK 99563



Void 180 days from check date

*Jonathan P. King*

93864503 0311002831 09 717821

# Exhibit 5


**KASHUNAMIUT  
SCHOOL DISTRICT**

 985 KSD Way  
Chevak, Alaska 99563  
(907) 858-7713

**ACCOUNTS PAYABLE**

 89-5  
1252

 WELLS FARGO BANK  
BETHEL BRANCH  
BETHEL, ALASKA 99506

**No. 041178**

DATE	CHECK NUMBER
4/05/06	41178

CHECK AMOUNT
\$88,108.52

**PAY** Exactly Eighty Eight Thousand One  
Hundred Eight Dollars and Fifty Two  
Cents

**TO THE** GCI  
**ORDER** P. O. BOX 99001  
**OF** ANCHORAGE AK 99509-9016

*[Signature]*  
*[Signature]*  
VOID IF NOT CASHED WITHIN 90 DAYS

041178 125200057 100015771

PLEASE DETACH BEFORE DEPOSITING

**KASHUNAMIUT SCHOOL DISTRICT**  
985 KSD Way, Chevak, Alaska 99563

**No.**

 31  
00.000.000.000.711

226476

88,108.52

88,108.52

and/or 348

**INVOICE TOTAL**  
4/05/06

 41178 88,108.52 88,108.52  
Check Total 88,108.52

225309 \$1,041.00

226476 \$ 5528.99

227218 \$ 5528.99

228114 \$ 5527.79

228871 \$ 5527.79

229739 \$ 5528.09

230776 \$ 5528.09

231487 \$ 5300.59

232391 \$ 10,970.39

233295 \$ 5,552.59

Leave on account \$32,074.21

 1,041.00+  
5,528.99+  
5,528.99+  
5,527.79+  
5,527.79+  
5,528.09+  
5,528.09+  
5,300.59+  
10,970.39+  
5,552.59+

010

56,034.31\*+

88,108.52-

-001

88,108.52\*+

32,074.21\*G

**ACCOUNTS PAYABLE**



KASHUNAMIUT  
SCHOOL DISTRICT  
985 KSD Way  
Chevak, Alaska 99563  
(907) 858-7713

ACCOUNTS PAYABLE

89-5  
1252

WELLS FARGO BANK  
BETHEL BRANCH  
BETHEL, ALASKA 99559

No. 041622

DATE	CHECK NUMBER
6/22/06	41622
CHECK AMOUNT	
\$5,552.59	

PAY Exactly Five Thousand Five Hundred Fifty  
Two Dollars and Fifty Nine Cents

TO THE ORDER OF  
OCI  
P.O. BOX 99001  
ANCHORAGE AK 99509-9016

*[Signature]*  
VOID IF NOT CASHED WITHIN 90 DAYS

⑈041622⑈ ⑆125200057⑆ 1000157771⑈

PLEASE DETACH BEFORE DEPOSITING

KASHUNAMIUT SCHOOL DISTRICT  
985 KSD Way, Chevak, Alaska 99563

No.

OCI  
100.000.350.000.433

235096

Vendor 348

INVOICE TOTAL  
6/22/06

5,552.59	5,552.59
5,552.59	5,552.59
41622 Check Total	5,552.59

ACCOUNTS PAYABLE



KASHUNAMIUT  
SCHOOL DISTRICT  
985 KSD Way  
Chevak, Alaska 99563  
(907) 858-7713

ACCOUNTS PAYABLE

89-5  
1252  
WELLS FARGO BANK  
BETHEL BRANCH  
BETHEL, ALASKA 99559

No. 041432

DATE	CHECK NUMBER
5/18/06	41432

CHECK AMOUNT
\$432.59

PAY Exactly Four Hundred Thirty Two Dollars  
and Fifty Nine Cents

TO THE ORDER OF GCI  
P. O. BOX 99001  
ANCHORAGE AK 99509-9016

VOID IF NOT CASHED WITHIN 90 DAYS

⑈041432⑈ ⑆125200057⑆ 1000157771⑈

PLEASE DETACH BEFORE DEPOSITING

KASHUNAMIUT SCHOOL DISTRICT  
985 KSD Way, Chevak, Alaska, 99563

No.

GCI  
100.000.350.000.433

234344

INVOICE TOTAL  
5/18/06

Vendor 348

432.59	432.59
432.59	432.59
41432 Check Total	432.59

ACCOUNTS PAYABLE